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FIRST COUNTRY COOPERATION FRAMEWORK FOR THE UNITED REPUBLIC OF TANZANIA (1997-2001)

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INTRODUCTION

1. The first country cooperation framework (CCF) for the United Republic of Tanzania contains a brief description of the national development objectives and proposed areas of assistance for UNDP for the period 1997-2001. The first CCF is the product of an extensive consultative process between the Government, UNDP and other development partners, including non-governmental organizations (NGOs). The process benefited greatly from the mid-term review of the fifth country programme for the period 1993-1996, which was completed in December 1995, after several months of consultations between all actors.

2. As part of the preparatory process for the CCF the Government convened a seminar for Principal Secretaries and senior government officials on 5-7 September 1996. Topics for deliberation included modalities for the successor programming arrangements and the strengthening of national execution. Following the seminar, the Government received the UNDP advisory note for the period 1997-2001, which was reviewed, discussed and accepted as a useful input for the preparation of the CCF. The entire process was spearheaded by the Government, which chaired all meetings and initiated consultations with UNDP and different sections of society. The Government also convened the Local Programme Advisory Committee meeting for final deliberation of the draft CCF before its submission to UNDP. The Committee was chaired by the Ministry of Finance and included representatives of the Office of the Vice President, the Planning Commission, stakeholder ministries, UNDP, the Food and Agriculture Organization of the United Nations and the United Nations Children's Fund. Bilateral donors were invited as well.

3. The Rolling Plan and Forward Budget for 1995/1996-1997/1998, the Medium-Term Economic and Financial Policy Framework Paper for 1996/1997-1998/99, the UNDP advisory note for the period 1997-2001, lessons learned from the fifth programming cycle as well as the System-Wide Special Initiative for Africa launched recently by the United Nations, the country strategy note (which is in its final stage of preparation) and Consultative Group meeting proceedings provided useful inputs in the preparation of the CCF.

I. DEVELOPMENT SITUATION FROM A SUSTAINABLE HUMAN DEVELOPMENT PERSPECTIVE

4. From the late 1960s to the mid-1980s the social and economic development of the country was influenced to a large extent by the philosophy of socialism and self-reliance and characterized by a strong and all-encompassing public sector. Towards the end of 1970s and mid-1980s, with the setting in of an economic crisis emanating from both domestic and external factors, the country experienced serious macroeconomic imbalances and rapid deterioration in the delivery of social services. Around the mid-1980s, the Government reviewed its development policies and strategies, and with the support of the Bretton Woods institutions and other donors, embarked on far-reaching and wide-ranging economic reform programmes, with a view to restoring economic balances and improving the well-being of the population.

5. For more than a decade, the United Republic of Tanzania has been implementing various adjustment measures and reform programmes, the major thrust of which has been to move from a centrally-controlled to a market-oriented economy. The various reform measures, which were embodied in the Economic Recovery Programme 1986/1987-1988/1989 and the Economic and Social Action Programme 1989/1990-1991/1992, focused on the financial sector, public expenditure, agriculture, improvements in infrastructure and social service delivery and privatization. The main reform objectives were: (a) to attain higher economic growth rates; (b) to reduce the rate of inflation; and (c) to restore internal and external balances by pursuing prudent fiscal, monetary and trade policies.

6. The three-year Rolling Plan and Forward Budget has become the principal programming instrument of the Government, guiding the reform processes. It articulates sectoral objectives, policies, priorities and strategies within the overall macroeconomic policy framework. To make them more effective and sustainable, over the years, the above-mentioned reforms have been deepened and widened to include the civil service, the financial sector, parastatals and the introduction of a multi-party political system. While the reforms have led to significant improvement in the performance of the economy, from a sustainable human development (SHD) perspective, there are still serious social and economic problems to be addressed, as outlined below.

7. Poverty eradication and sustainable livelihoods. While the reform process begun in the mid-1980s resulted in a general trend of declining poverty, overall income and expenditure levels remain low. Poverty remains prevalent in rural areas. Urban poverty is also on the rise, particularly for the unemployed and underemployed segments of the population.

8. The United Republic of Tanzania also faces severe problems in the delivery of social services. The health care system is poor in terms of the existence of facilities for both preventive and curative services. The infant mortality rate is high - 92 per 1,000 live births - and at 51 years, life expectancy is low. The country is also facing an increasing and severe HIV/AIDS epidemic, with a direct negative effect on the level of poverty and deprivation among affected communities. Although it has now been firmly established that HIV/AIDS is spreading in both rural and urban areas, capacity-building at national, district and community levels for an expanded response against the epidemic continues to be lacking. Strengthening coordination structures and the activities of community-based groups and NGOs involved in combating the disease are also needed.

9. In education, gross primary school enrolment has declined from 93 per cent in 1980 to 74 per cent in 1995, while the gross enrolment rate in secondary schools is estimated at 14 per cent (1995). The quality of education is poor and girls' participation, performance and completion rates are still lower than those for boys. Gender inequality increases at higher levels of education.

10. Unemployment has increased despite the positive economic growth rates. The main factors contributing to the problem include increased rural-urban migration, the ongoing downsizing of the civil service and privatization of parastatals.

11. Overall, access to safe water has declined in both rural and urban areas. In rural areas, access to clean water supplies declined from 25 per cent in 1976 to 22 per cent in 1995. In urban areas, access declined from 76 per cent to 56 per cent during the same period.

12. Continued environmental degradation poses great threats to the country's progress. Demands for fuel wood, intensification of traditional forms of agriculture, overgrazing and excessive deforestation exert considerable pressure on the country's environment and natural resources. Other factors include poor water conservation and management practices, overcrowded urban settlements and informal small-scale mining activities, which often involve the use of inappropriate methods.

13. Capacity-building for good governance and management development. Major impediments to the implementation and sustainability of the ongoing and future Government reforms include constraints in administrative and managerial capacity and institutional weaknesses. There is inadequate capacity to analyse, initiate and manage the change processes on a sustainable basis.

14. Advancement of women. In recent years, measures have been taken by Government to bring about gender equality and equity. The national leadership is committed to strengthening these measures in the future. Women still lag behind in many respects, particularly in education, health, and access to land and other productive assets. Although the Government has been promoting women's participation in politics and decision-making, the number of women in political and decision-making positions is still considered to be low.

II. RESULTS AND LESSONS OF PAST COOPERATION

15. The fifth country programme (1993-1996) had four areas of concentration: macroeconomic management; environment and natural resources; SHD for poverty eradication; and support to the National Income-Generation Programme. A review of the fifth country programme has identified a number of constraints in implementation, including weak planning and coordination of external assistance, low capacity to manage the reform process, multiplicity of development projects and inadequate dialogue between the Government and other development partners.

16. At the beginning of the fifth cycle (1992), the country programme consisted of 150 projects widely scattered in almost all sectors. Through dialogue, the programme approach has been adopted and efforts have been made to reduce the number of projects. At the end of the cycle, the Government had two programmes in operation - the National Income-Generation Programme and Environment and Natural Resources Management. By the end of 1995, the number of projects was reduced to 56, most of which were completed during 1996. The slow pace in formulating programmes reflects the difficulties UNDP and the Government have been facing in moving from the project to the programme approach. However, the trend is now firmly established.

17. More specifically, the Government's view is that policy dialogue has been particularly instrumental in assisting national leaders and authorities to take a more strategic approach to poverty issues. A number of policy initiatives,

including two high-level retreats, organized by the Government with UNDP assistance, brought together top officials of the Government, the private sector, NGOs, donors and civil society to deliberate on the way forward in poverty eradication. The national long-term perspective study and the country strategy note, both under preparation, identify poverty eradication as their primary goal. With UNDP support, a Poverty Eradication Unit has been set up in the Office of the Vice President. Its primary responsibility is to coordinate, design and monitor poverty eradication initiatives. Furthermore, the policy dialogue has contributed to the formulation of strategies in the areas of employment and the private (formal and informal) sector and to the growing awareness of the importance of women and participatory approaches to development.

III. PROPOSED STRATEGY AND THEMATIC AREAS

18. The Government recognizes that UNDP is an important partner and has a major role to play in support of initiatives for social and economic advancement. Overall, the UNDP strategy for cooperation is to assist the Government in its efforts to promote people-centred and sustainable development. The first CCF for the United Republic of Tanzania will be implemented within the framework of existing national programmes, such as the Civil Service Reform Programme, the Local Government Reform Programme and the National Income-Generation Programme. In addition, the Government seeks UNDP assistance in formulating a National Poverty Eradication Programme, as well as in private sector development, particularly for the promotion of investments and exports.

19. The cooperation strategy contains the following key elements: (a) consolidation of the programme approach, which will enhance national ownership and provide strategic frameworks to guide UNDP and other donor interventions; (b) United Nations system collaboration, within the framework of the country strategy note, to ensure complementarity, maximum impact and optimal use of scarce resources; (c) integration of gender concerns into all programmes, as well as implementation of some gender-specific components as part of selected projects/programmes; (d) translation of global compacts and agreements into operational country strategies and programmes directed at combating poverty and promoting human development; (e) promotion of good governance through support to participatory approaches, local government and decentralization and public sector reforms; and (f) facilitation of resource mobilization and aid coordination.

20. During the period covered by the first CCF, the Government has requested that UNDP cooperate in four priority areas responding to national objectives. Poverty eradication and protection of the environment are areas of top priority - for this reason, they are now under the direct responsibility of the Vice President. Capacity-building for good governance is another area of primary concern, particularly when it comes to the reform of the civil service and the strengthening of the core macroeconomic departments - the Ministry of Finance and the Planning Commission. In addition, the Government considers the enhancement of women's participation in the social and economic development process as an indispensable condition for the building of a better United Republic of Tanzania. UNDP has been requested to focus its assistance on the

above-mentioned areas, which are at the top of the national development agenda: the Government intends to address the underlying causes of problems in these areas, in collaboration with UNDP, within the context of the SHD approach. The priority areas also correspond to United Nations global summits/conferences goals, as summarized in the table below:

Government/UNDP cooperation framework	National policy/ strategy/programme	United Nations global conferences
Poverty eradication and sustainable livelihood	Poverty Eradication Policy (in the final stage of formulation)	World Summit for Social Development (1995)
Environment and natural resources	Environmental Policy, National Environmental Action Plan, National Conservation Strategy for Sustainable Development	United Nations Conference on Environment and Development (1992), Habitat II (1996)
Capacity-building for good governance and management development	Civil Service Reform Programme, Local Government Reform Programme	World Summit for Social Development (1995), Habitat II (1996)
Advancement of women	National Platform for Action to the year 2000	Fourth World Conference on Women (1996)

A. Poverty eradication and sustainable livelihoods

21. The United Republic of Tanzania's per capita income is among the lowest in the world and poverty and deprivation affect many. Although poverty in the country is mainly a rural phenomenon, there is ample evidence to show that deprivation is also occurring in urban areas. Among other things, poverty is associated with inadequate and ineffective investments in the social sectors, notably, basic education, health, water supply and sanitation. Women, children and the youth are most vulnerable.

22. The Government is developing a National Poverty Eradication Policy, with the aim of eradicating absolute poverty by the year 2005. Strategies include: (a) the creation of an enabling environment for effective poverty eradication efforts; (b) the empowerment of the poor to fight poverty, ignorance and diseases; (c) the participation of stakeholders; (d) coordination of poverty eradication initiatives; and (e) the promotion of equal opportunities for all Tanzanians. During fiscal year 1996/1997, the Government will institutionalize a poverty monitoring system to assess the impact of its policies on poverty eradication.

23. In support of these efforts, the Government has requested that UNDP support focus on the following aspects of poverty eradication: (a) policy and strategies formulation and dissemination; (b) capacity assessment and capacity-

building for poverty eradication; (c) promotion of effective participation; (d) coordination, monitoring and resource mobilization; and (e) pilot projects at the grass-roots level.

24. The Government has requested that UNDP continue its support to the national response to HIV/AIDS, in order to address the impact of the epidemic on SHD in the country at national and local levels. Participation of the youth, women and people living with HIV/AIDS will be a key factor in future support. Also, the participation of the security and defence forces under the Civil-Military Alliance against the HIV/AIDS epidemic will be promoted, with the full involvement of UNDP. Other areas requiring support are decentralized district HIV/AIDS activities to be carried out by a variety of partners, including NGOs, community-based groups and the media, and interventions at work places. Support will also be required for capacity-building in the Zanzibar AIDS Control Programme.

B. Environment and natural resources

25. Although the United Republic of Tanzania is endowed with natural resources and a reasonable spread of rainfall, good soil, abundant vegetation in many areas and a variety of wildlife, the country is facing serious problems in terms of management of these resources. There are acute problems of deforestation because of the cutting of trees and bush fires, leading to serious land degradation and subsequent loss in soil fertility and land productivity. Among the factors that have led to environmental deterioration and continue to exert serious pressure on the environment and natural resources are poverty-related issues, outdated livestock management practices, the low level of technology used in the exploitation of resources and the high rate of population growth.

26. In pursuit of socio-economic development, the Government accords high priority to ensuring a sustainable balance between the use and conservation of natural resources and improved environmental management in general. Other major national goals include the creation of sustainable and environmentally sound development in rural and urban centres. The Government is developing policies and guidelines to ensure that sectoral activities do not have a negative impact on environment.

27. The following areas are earmarked for UNDP support: (a) institution-strengthening; (b) the water sector; (c) urban human settlements; (d) community-based watershed management; and (e) promotion of alternative sources of energy. At the institutional level, the finalization of the National Environmental Policy and its launching at both the national and local levels is targeted. The initiative is to be followed by consultative workshops and seminars, organized by both UNDP and the Government, during which implementation strategies will be developed.

28. More specifically, the Government has requested UNDP support in the following activities in the area of environment and natural resources: (a) the development of a framework on environmental law; (b) the establishment and management of a National Environmental Information System; (c) capacity-building and management advice in the water sector, particularly support to water sector

coordination, the promotion of rainwater harvesting technologies, rehabilitation of traditional irrigation and community-based watershed management; (d) promotion of alternative sources of energy for both rural and urban households; (e) human settlements development, by establishing a Municipal Support Unit within the Prime Minister's Office and direct support to Dar es Salaam and other selected municipalities; and (f) assistance to some components of the National Environmental Education and Public Awareness Programme.

C. Capacity-building for good governance and management development

29. Governance and management development are critical in order to achieve SHD goals. Therefore, the Government has requested that UNDP direct support to: (a) economic management, focusing on the Ministry of Finance and the Planning Commission; (b) development of management skills; (c) local administration and decentralization, to ensure effective local governance and popular participation; (d) private sector development, through the promotion of foreign investment and external trade, as well as the creation of an enabling policy and administrative environment conducive to the expansion of the private sector; and (e) support to Parliament and the Judiciary.

D. Advancement of women

30. Although women constitute more than one half of the population in the United Republic of Tanzania and constitute a productive labour force, particularly in the rural economy, they have remained disadvantaged in terms of social and economic advancement. Social and cultural factors have contributed adversely to women's progress, particularly in education, access to and ownership of a means of livelihood and civic participation.

31. In elaborating its National Platform for Action to the year 2000, the Government has identified capacity-building for the initiation and coordination of policy programmes for women to be an essential element of the change process, as well as critical to the realization of the Platform's objectives.

32. The Government has requested that UNDP continue to play a key role in the advancement of women, by assisting it to enhance gender-mainstreaming. The engendering of the planning process and training of gender focal points from various sectors constitute two of the priorities. UNDP has also been requested to provide assistance to the Government in the promotion and protection of the rights of women. Efforts will be made to empower women by encouraging investment in areas where women are active, thus enabling women to be more productive and involved in the management of the economy and society.

IV. MANAGEMENT ARRANGEMENTS

33. National execution and other execution modalities. The Government of the United Republic of Tanzania has fully endorsed national execution and it is fully committed to its operationalization. National execution is regarded as a means of enhancing government ownership of development programmes and also as an instrument by which to accelerate government management capabilities, resulting in increased project efficiency and cost-effectiveness.

34. The use of the national execution modality grew substantially during the fifth cycle, from 3.85 per cent of indicative planning figure (IPF) resources in 1989 to 52 per cent of the IPF entitlement in 1995. There has also been noticeable growth in NGO/private sector involvement in implementing UNDP-funded programmes. A 40 per cent rate of national execution has now been reached.

35. The Government, in collaboration with UNDP, is planning training programmes in programme formulation, monitoring and evaluation, and procurement and fellowships administration, with a view to further accelerating the growth of national execution during the period covered by the first CCF.

36. The Government will continue to utilize United Nations Volunteer services in the intensification of activities in poverty eradication and other SHD focus areas. It is anticipated that volunteers and field workers will be required in large numbers in the future. The Government will also collaborate with UNDP to identify means of enhancing the utilization of the technical cooperation among developing countries mechanism as well as the Transfer of Knowledge Through Expatriate Nationals and United Nations Short-Term Advisory Services modalities.

37. Monitoring and review. The Government will cooperate with UNDP to ensure proper monitoring and periodic review of all programmes under the first CCF, as provided for under standard UNDP procedures, including a mid-term review exercise in 1999. In addition, the monitoring and review mechanism of UNDP support will be incorporated into Consultative Group meetings, monthly in-country Development Assistance Committee Donors Group meetings, and sectoral and thematic coordination arrangements.

38. Resource mobilization. The resource mobilization target for the CCF period is set provisionally at $57.413 million, a breakdown of which is provided in the annex to the present document. The Government will continue to collaborate with UNDP to mount a special drive to mobilize more non-core and cost-sharing resources.

Annex

RESOURCE MOBILIZATION TARGET TABLE FOR THE UNITED REPUBLIC OF TANZANIA (1997-2001)

(In thousands of United States dollars)

Source	Amount	Comments
UNDP CORE FUNDS		
Estimated IPF carry-over	1 787	
TRAC 1.1.1	38 674	Assigned immediately to country.
TRAC 1.1.2	0 to 66.7 per cent of TRAC 1.1.1	This range of percentages is presented for initial planning purposes only. The actual assignment will depend on the availability of high-quality programmes. Any increase in the range of percentages would also be subject to availability of resources.
Other resources	390	TCDC
SPPD/STS	3 425	
Subtotal	44 276[a]	
NON-CORE FUNDS		
Government cost-sharing	-	
Sustainable development funds	4 000	GEF
Third-party cost-sharing	2 008	
Funds, trust funds and other:	7 129	
	of which:	
UNCDF	6 737	
UNIFEM	42	
UNSO	350	
Subtotal	13 137	
GRAND TOTAL	57 413[a]	

[a] Not inclusive of TRAC 1.1.2, which is allocated regionally for subsequent country application.

Abbreviations: GEF = Global Environment Facility; IPF = indicative planning figure; SPPD = support for policy and programme development; STS = support for technical services; TCDC = technical cooperation among developing countries; TRAC = target for resource assignment from the core; UNCDF = United Nations Capital Development Fund; UNIFEM = United Nations Development Fund for Women; and UNSO = Office to Combat Desertification and Drought.